

## INFORMATION REPORT

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COUNTRY : USSR

DATE DISTR. 14 MAY 52

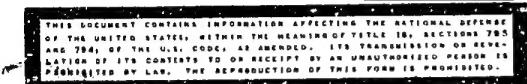
SUBJECT : Economic Conditions in the  
Leningrad Area/ Industrial Materials  
(Metals, Tools, Machine Oil) 25X1

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1. [REDACTED] there were three distinct economic periods in the USSR. (1) From 1946 until 1948 - when everything was rationed and living conditions were rather difficult. Almost any commodity could be bought during those years but few people could afford to buy beyond their rations. (2) From 1948 when rationing was ended until summer 1950. This period was marked by a steady improvement in the supply of most goods and by periodic price reductions up to 20 percent for a great many items. (3) Beginning with the summer of 1950 there was a gradual leveling off in the trend of reductions. Price cuts became rarer, were only 5-10 percent, and were usually restricted to a small category of goods. In order to get an idea of the varying conditions, it is necessary to quote three separate prices--two for the period 1946-1948 for the rationed and for the unrationed goods and another price for the same (unrationed) goods in 1951. (Gasoline was the only rationed product in 1951.) Generally, the 1951 prices stabilized somewhere between the former rationed price and the "free" price. These were still above the prices of 1938. A man's shirt, for example, cost about Rubles 500 in 1940, Rubles 1500 (free market) and 600

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(rationed) in 1947 and about Rubles 1000 in 1951. [redacted] like to point out that the German specialists living in the USSR lived comparatively well [redacted] the "intelligentsia" and [redacted] were highly paid. [redacted] [redacted] monthly salary was Rubles 4500; that of the doctors of chemistry and physics was Rubles 6000. [redacted] chief in the Plant Management Department was paid only Rubles 1500 a month but he had various special privileges that presumably compensated for his low salary.) The monthly salary of an unskilled worker ranged from Rubles 500-800; a skilled worker was paid Rubles 800-1000 per month.

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Food

2. [redacted] in Sestroretsk in November 1946 we were attached to the Soviet Navy. [redacted] a mess hall and were charged Rubles 35 per meal. The food was plentiful and the menu varied and included soup, meat, eggs, vegetables and dessert. At that price, however, [redacted]

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[redacted] For Rubles 3000 one could live very well and buy many things. My monthly food budget for our family, [redacted] was about Rubles 800-1000 during the period of rationing; after 1948 it was Rubles 1000-1200 per month. The ordinary Soviet people lived quite cheaply on their standard diet which consisted of cabbage with cranberries cooked in it and black bread. On rare occasions they cooked pork in their cabbage. [redacted] food prices listed below: (all prices are in rubles)

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Products	Unit	1946		( Un- 1951 rationed)
		Free Market	Rationed	
Bread	kg	30	8	3
Butter	kg	275	55	40-50
Milk	liter	25	(farmer) (only for babies)	2.5
Eggs	one	12-15 ("")	2	1.5
Potatoes	kg	25	2-3	1
Onions	kg	40	(1.5 when available)	2.5
Tomatoes	kg	-	-	5
Cabbage	kg	2.5	(rarely available)	2-3
Pork	kg	125-150	30	25
Beef	kg	125-160	30	25
Fowl	kg	60-80 (farmer)	-	12-14
Chocolate bar	100 gr	75	-	12
Apples	kg	40	-	12
Tangerine	one	4	-	1.5
Oranges	one	(rarely available....)		-

3. Until 1948 the farmers took bread rather than money in exchange for those items which we usually bought from them. We traded bread for milk, butter, sugar and fowl at the rate of about one kg of bread for a liter of milk. Our bread ration was more than sufficient and we did not eat much of it. Cabbage was rarely available in government stores; most people bought cabbage, small berries, eg, cherries and strawberries, directly from the small farmer. Apples were brought to the government stores from the kolkhozes. [redacted] fowl, which is considered a luxury commodity in Germany, cost only half as much as regular meat. Frozen potatoes, with dirt on them, were sold in the open market.

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Clothing

4. Good clothing was available although it was of limited variety and expensive. After 1948 one could buy wool clothing easily but in summer 1950, it became difficult to obtain and knitting wool was almost impossible to get. Cotton was much cheaper but was not used much because of the cold weather in Leningrad. Although synthetic fiber did exist, it was much less available than it had been in Germany during World War II. [redacted]  
the following clothing prices: (all prices are in rubles)

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Products	1946		1951
	Free Market	Rationed	Unrationed
One meter of wool	-	75	200
Man's suit (tailormade)	1500	600	800
Silk dress	-	-	800
Genuine Persian lamb fur coat	25000	-	12-15000
Shoes (Soviet made) (men's)	7-800	150	250
Shoes (Czech)(men's)	-	-	3-400
Leather shoe soles	-	-	50
Rubber shoe soles	-	-	12-13

[redacted] a pair of shoes in 1947 for Rubles 150 and they are still quite serviceable. A good quality suit was obtained by purchasing the cloth for about Rubles 200 per meter and having it made in a state-owned tailoring shop. The tailoring bill amounted to Rubles 175 and, with trimmings, the suit cost about Rubles 1200-1500.

Luxuries

5. Luxury goods were easily available for those who had enough money. For example, in 1951, there was a wide choice of Soviet, German and Swiss watches. [redacted] bought a wrist watch which has given good service, for Rubles 180 in 1949. This watch had steel springs and had been made by Thiel in the Soviet Zone of Germany. This same watch or a comparable Soviet make such as "Pobeda" would have cost Rubles 500 in 1951. Something which made me suspicious of Soviet workmanship in their watches was the great number of watch repair shops. Cosmetics and perfumes were readily available and sold in great variety. Most salesgirls used lacquer for their fingernails and rouge for their lips; there was no campaign against these practices as there had been in the Soviet Zone of Germany. Beauty shops gave permanents at very reasonable rates and [redacted] they are better than those given in Germany. Silk stockings, made of synthetic fibers, cost Rubles 41 in 1951.

Heating and Cooking Fuels

6. The heating fuel most often used in Sestroretsk was wood--usually birch or pine. The wood was bought in split logs about one meter long and then sawed in half. In 1951 wood cost Rubles 25-30 per cubic meter. Peat is used rarely and only in briquets; in Germany it is used directly. There was very little central heating in private houses in Sestroretsk, but the Institute, [redacted] and public places such as schools, were centrally heated. New apartment houses in Leningrad all provided central heating. The main cooking fuel used was kerosene, the kind we

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burned in lamps in Germany and which sold for Rubles 1.8 per liter. The kerosene was not rationed and was sold by a house-to-house peddler. Cooking utensils were available but rather expensive. An average cooking pot, made of enamel, cost about Rubles 50. Aluminum cooking pots were also quite common and somewhat cheaper than enamel ware.

Power and Electrical Appliances

7. Until 1949 power consumption was limited to 60 kw per month per household. After that there were no restrictions, ie, current shutoffs, as we had had in Germany. At the Institute [redacted] no trouble with electric current. Refrigerators, washing machines and other electrical appliances were displayed in shop windows as they had been in Germany, [redacted] few people who owned refrigerators. Until 1948, light bulbs were rare but after that time they became readily available and were of fair quality. A 60-watt bulb cost about Rubles 3. All houses in Sestroretsk had electricity and most people used at least one electric heating plate.

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Transportation

8. In 1946 [redacted] many German cars, including Opels and Mercedes. After 1950, the only German cars used were BMWs (made by the large Bayrische Motoren Werke in the Soviet Zone of Germany). Generally, Soviet-manufactured cars such as Zis and Pobeda have replaced German make cars, for which spare parts were almost unobtainable. There was no great difficulty in getting parts for Soviet cars. A Soviet [redacted] told [redacted] that about 90 percent of Soviet cars were state-owned. Gasoline, which was still rationed in 1951, cost Rubles 4 per liter but,

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[redacted] few people used up their ration because they could get most of their gasoline from chauffeurs along the road for about Rubles 1.5 per liter. In Leningrad there were a great many trolley buses and streetcars. The streetcars were completely renewed after World War II and gave excellent service. It was very rare that one had to wait long at a street-car station, although the cars were very crowded. The electrification of the circular railroad from Leningrad to Sestroretsk was to be completed in the summer of 1951.

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Roads and Construction

9. All roads and streets in Sestroretsk and the surrounding region were either paved or hard surfaced. The material most frequently used was asphalt. [redacted] saw any concrete-surfaced roads and believe the use of concrete was impractical because of heavy frosts. [redacted] in Sestroretsk the shore road was straightened out. This was done in the most extraordinary fashion. First, a bulldozer tore open a track and then the sand was sprayed with tar from a special machine and finally covered with approximately two inches of asphalt. The work proceeded at the rate of two-three hundred meters per day. The German scientists were horrified by this superficial way of building a road and prophesied that it would be ruined in a short time. After two years of relatively heavy traffic, however, it was almost as good as when it had been surfaced.

11. The Soviets are quite proficient in the construction of heavy machinery which requires little precision work. All road and railroad construction which I saw was done by heavy machinery such as cranes and excavators. Until 1950 these machines were of German make and had almost certainly been taken as reparations. After 1950 the Soviets began manufacturing them [redacted] remember any names of the companies producing the machinery. [redacted] was particularly impressed by Soviet snow removing equipment.

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Huge, three-axle trucks, with rotating disks in front, were used. The snow was sucked up and ejected high into the air, even over houses along the road. In spite of heavy snow falls, [redacted] never impeded by snow. In Leningrad the streets were all cleared of snow by 10 o'clock in the morning and the snow was dumped into the Neva River.

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14. Most of Leningrad is built of brick. [redacted] surprised by the speedy construction method of the Soviets. It is called the "three man system" and was first used in the rebuilding of Warsaw. The first worker does nothing but shovel mortar onto the wall, the second worker lays the brick into place and the third worker cements it. The advantage is that the first two workers do not have to be skilled masons. The whole process is extremely fast; walls could be erected five times faster than in Germany. The press was full of this wonderful example of Soviet ingenuity.

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Industrial Materials

15. Regarding the availability of industrial materials in the USSR, [redacted] noticed that the Soviets do not have high grade steel. This shortage adversely affects the manufacture and supply of all tools, eg, cutting tools, which depend directly upon the quality of the steel. Regarding the supply of particular tools which were needed in Soviet industry, the Soviets proved themselves very adept at obtaining these from factories producing them in the Soviet Zone of Germany. (The Soviets frequently dismantled a well supplied factory existing in the Soviet Zone of Germany and reestablished it in the USSR, and then often rebuilt the same factory in Germany.) For example, [redacted] some excellent drills and cutting tools at the Institute because Stock & Company at Weissensee, Germany (Soviet Zone), [redacted] specialized in their manufacture. [redacted] difficulties in the procurement of pipes and tubing, because these items were manufactured almost exclusively by Mannesmann, in the Ruhr. We found that it was easier to get a brass pipe than an ordinary iron one. The primary shortages were of all types of valves, grinding tools, tubes and piping.

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16. There were no shortages whatsoever in screws, nuts, nails, wire and bolts as large quantities had been obtained from Germany at the end of World War II. The only trouble [redacted] in this line was with bolts above 10 mm in diameter. All hand tools, such as hammers, saws, files, chisels and tongs were rather scarce and of poor quality. [redacted] hack saws, for example, were only good for an hour's service whereas in Germany they lasted a week. We had some good quality drills and cutting tools such as reamers, milling cutters and broaches which had come from Germany and which were a prime target for thieves. However, Soviet manufactured tools of this type were soft and wore out quickly. Grinding tools were particularly inferior. At the Leuna subsidiary plant at Moosbierbaum, Austria [redacted]

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[redacted] used up two grinding wheels whereas the same type wheel of Soviet manufacture would have worn down to the axle in a month. There was a special factory in Moscow, called "Kalibr" which made micrometers and calipers which were of fairly good quality.

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[redacted] this factory is well known as it rates as a model and many foreigners were taken to visit it. Machine oils (Uhrenoel) were generally good as they came from a factory in the Soviet Zone of Germany which specialized in their production.

[redacted] the name of this factory but [redacted] it sounded French.) This factory, located in Dresden, supplied practically the entire Wehrmacht with gun oil. Most metals, such

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as copper, zinc, and aluminum were of good quality. Occasionally, however, we had difficulty with special kinds of metals. [redacted] had trouble with the cores of transformers. The Soviet metal sheets would get hot in a short time. When we rewound the same wire over German metal, the transformers would run for hours without heating. The only consistent shortage in metals was of high grade steel. Shortages of valves of every type, as well as couplings, fittings and joints, such as nipples and flanges were critical. We made most of the needed valves ourselves.

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